Proposal to close the office of Controller of Capital Issues

2332. DR. YELAMANCHILI SIVAJI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Office of the Controller of Capital Issues is proposed to be closed down;

(b) what are the functions of this office;

(c) what is the number of offices and staff on its rolls as on 1st April, 1992; and

(d) if answered to part (a) is in the affirmative in what manner the staff is proposed to be rehabilitated or has already been rehabilitated ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR) : (a) Consequent to the repeal of Control of Capital Issues Act, 1947, the Office of the Controller of Capital Issues has already been closed.

(b) The main function of the Office was to regulate the raising of Capital in the market through equity shares, preference shares, debentures, bonds etc. by the corporate sector.

(c) The number of officers and staff on its rolls as on 1st April, 1992 was 28.

(d) Barring a few, who are being utilised for residuary work, others have been re-deployed against existing vacancies in the Department, as CCI Office was a part of DEA and do not have an independent identity.

Statutory Liquidity and each reserve ratios

2333. DR. SHRIKANT RAMCHANDRA JICHKAR : Will the Minister of FINANCE be pleased to state :

(a) what is the current statutory liquidity ratio and the Cash Reserve Ratio; and

(b) what is its effect on the general credit situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) The Statutory Liquidity Ratio (SLR) for scheduled commercial banks (excluding Regional Rural Banks) on the level of the outstanding net demand and time liabilities as on April 3, 1992 is stipulated at 38.5 per cent and for any increase in net demand and time liabilities above the April 3, 1992 level, the SLR is prescribed at 30 per cent. The SLR on non-resident liabilities is prescribed at 30 per cent. It has been announced by Reserve Bank of India (RBI) that on the liabilities as on April 3, 1992 the SLR would be reduced as follows :

Effective Date Fortnight beginning from	SLR on Net Demand and Time Liabilities (excluding FCNR and NRE deposits) outstanding as on April 3, 1992 (per cent)
January 9, 1993	38.25
February 6, 1993	38.00
March 6, 1993	37.75

The Cash Reserve Ratio (CRR) for scheduled commercial banks both for domestic and non-resident liabilities is prescribed at 15 per cent. In addition, the cash balances under the incremental CRR remains impounded. It has been announced by RBI that one-third of the impounded cash balance would be released in three equal instalments (fortnight beginning October 17, 1992, November 14, 1992 and December 12, 1992).